

# MEMORANDUM



## Request for City Council Committee Action

Date: February 4, 2002

To: Council Member Goodman, Community Development Committee  
Council Member Johnson, Ways and Means/Budget Committee

Prepared by Randal E. Hemmerlin, Phone 612-673-5075

Approved by Chuck Lutz, MCDA Interim Executive Director \_\_\_\_\_

**Subject: Appropriation Increase, Fund GEN**

**Previous Directives** None.

**Neighborhood Group Notification:** Not applicable.

**Consistency with *Building a City That Works*:** Consistent with Goal 1: Increase the city's economic competitiveness and extend the benefits of the growing economy to all Minneapolis residents.

Consistent with Goal 2: Ensure that an array of housing choices exists to meet the needs of our current residents and attract new residents to the city.

Consistent with Goal 5: Participate in partnerships to achieve common community development objectives.

**Comprehensive Plan Compliance:** Complies.

**Zoning Code Compliance:** Complies.

**Impact on MCDA Budget:** (Check those that apply)

- ☐ No financial impact
- ☒ Action requires an appropriation increase to the MCDA Budget
- ☒ Action provides increased revenue for appropriation increase
- ☐ Action requires use of contingency or reserves
- ☐ Other financial impact (Explain):

**Living Wage / Business Subsidy:** Not applicable.

**Job Linkage:** Not applicable.

**Affirmative Action Compliance:** Complies.

**Recommendation:**

Amend the 2002 MCDA Appropriation Resolution to increase the appropriation in Fund GEN by \$101,000, and increase the Fund FEZ Revenue Budget (3820-Transfer within Special Revenue Funds) by \$101,100.

**Background/Supporting Information**

JPI Development, Inc. (JPI) has applied to the MCDA to act as a “pass-thru” conduit in the securing of excess right of way property now owned by the Minnesota Department of Transportation. The project is located between Huron Boulevard and 27<sup>th</sup> Avenue SE, near the Dartmouth interchange of I-94. The Fair Market Value of the property has been determined to be \$101,000.

JPI is proposing to build a housing project encompassing 164 units of efficiency, one-bedroom, two-bedroom and four-bedroom apartments to house up to 555 college students, primarily undergraduates.

MCDA's Real Property Disposition Policy 6 (e) dated August 11, 2000 authorizes MCDA to assist a Purchaser wanting to buy property by another governmental entity, such as excess land from MnDOT.

MCDA will receive \$101,000 for the property plus a \$10,100 administrative fee from JPI.

It is necessary for the MCDA to appropriate these funds in MCDA fund GEN at this time.

Request for City Council Committee Action jpi/C Drive/Randal Hemmerlin